

service. Bob has been a valued member of the committee staff since 1996, when he joined our staff as Chief Macroeconomist. Bob's keen mind, deep knowledge of economics, and high research standards have made him a tremendous asset to the committee for many years.

After receiving his Ph.D. in economics from Indiana University and a position as a bank economist, Bob joined the Federal Reserve Bank of Atlanta, rising as a research officer and senior economist to become Head of Macro and International Economics. In addition to his research in monetary economics, Bob also conducted research applying classical principles of economics to taxation, emphasizing the importance of reducing marginal personal tax rates to create incentives for healthy economic growth.

Bob also served as the senior Macroeconomist of President Reagan's Council of Economic Advisers in 1985 and 1986. He then moved on to become a special monetary and economic advisor to Vice Chairman Manuel Johnson, Board of Governors of the Federal Reserve. Leaving the Federal Reserve in 1991, he became Chief Economist of Johnson Smick International.

Bob joined the committee in 1996 under Chairman Jim Saxton and continued his research in many areas including international and domestic monetary policy. Bob's early and prolific work on inflation targeting composes the body of almost all Congressional analysis of this policy in the 1997–2006 time period. The significance of Bob's research was enhanced even more as the Federal Reserve moved toward a policy of more explicit inflation targeting over the last five years. Bob's work on international monetary policy contributed to important reforms of the International Monetary Fund.

In addition to his expertise in the field of economics, Bob also distinguished himself as a fine person of great integrity and judgment. I know I can speak for all of my colleagues on the Joint Economic Committee in congratulating Bob upon his retirement and thanking him for his service to the United States Congress.

STOPPING IDENTITY THEFT

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 31, 2009

Mr. COBLE. Madam Speaker, as a longtime member of the House Judiciary Committee, I am deeply concerned about the urgent need to protect Americans from rampant identity theft. During my six years as Chairman of the subcommittee that dealt with intellectual property matters, we often addressed issues affecting this criminal activity.

Identity theft occurs when someone is able to use another person's identifying information, including their name, Social Security number, or credit card number, without that person's permission, to commit fraud or other crimes. It is even a threat to our national security.

The Federal Trade Commission announced on February 26 that identity theft was the most reported complaint in 2008. The FTC estimates that as many as nine million Americans have their identities stolen each year.

Our government has begun a review that puts the focus on protecting the nation's digital infrastructure against cyber-attacks. I commend the Obama Administration for recognizing this major problem and for beginning to take constructive steps to deal with it.

If you are interested in learning more about this important matter, I urge you to read a column that was written by Michael J. Schultz for the Washington Times on February 20.

"President Barack Obama named Melissa Hathaway to lead a major review of this nation's cybersecurity. Her selection reflects the administration's desire to protect the government's information technology systems from security threats.

"The General Accounting Office characterized the government's computer system as a 'high risk' area. This was underscored when the Federal Aviation Administration recently admitted its computer system was 'hacked' and that the 48 files breached contained the names and Social Security numbers of more than 45,000 employees.

"While it is critical that the government's information networks be protected from terrorists and hackers alike, it is equally important that the administration's review also focus on ways to better protect every American's digital identities, especially when they use credit cards or the Internet.

"Digital identity misuse or theft leaves victims exposed to fraud that could lead to physical, emotional and financial harm. People from all walks of life have been victimized with those least able to absorb the punishment among the hardest hit.

"A recent survey by Jupiter Research concluded a total of 10 million Americans were victims of identity fraud in 2008, at an average cost of \$496. Of these, 19 percent were defrauded while conducting online transactions.

"Millions of other Americans have suffered financial losses when their credit cards have been compromised. In addition, thousands of merchants have lost merchandise or funds when credit cards have been misused or stolen cards presented to make a purchase. Online merchants lost more than \$10 billion in 2007 due to identity fraud.

"The misuse of prepaid cards presents yet another massive problem. Millions of stored value cards (gift cards, payroll cards, prepaid cards) have no Federal Deposit Insurance Corp. protection when they are stolen and thus thieves can spend them as easily as cash, depleting the true owner of their hard-earned savings.

"Most Americans do not realize that debit cards, which often carry the insignia of a credit card, do not offer the same protection as regular credit cards, and may only learn this when the cards are stolen.

"Unfortunately, the dangers go far beyond potential financial losses. A recently well-publicized case involved a 14-year-old girl who committed suicide when an adult pretended to be a boy on MySpace and then dumped her in a degrading way.

"Another example of the misuse of digital identities occurs when already overworked 911 call centers get 'swatted' by prank callers able to imitate another number. These types of 'pranks' severely limit first responders' ability to act in times of crisis, which places the entire community at risk when real emergencies require responses by fire or police departments.

"The upcoming review by the Obama administration should also address the sad truth that many of the so-called protections are inadequate to the dangers. For example, PINs or passwords often offer relatively little identity validation or protection. And most people have so many different pass-

words they frequently write them down and keep them with their cards, so when one is stolen the protection is often gone with it.

"Professional hackers can easily steal credit card information from individuals as well as from larger systems. More than 100 million credit card accounts were exposed when Heartland Payment Systems had its data centers breached in December 2008, enabling the thieves to subvert any current anti-fraud technology present. TJX Corp. had millions of credit card accounts exposed when they had their data centers breached.

"RBS WorldPay, one of the largest payment processors in the world, also had millions of accounts stolen when their data centers were breached.

"Clearly the old methods of automated protection are no longer adequate. Thus, we must implement systems that better validate digital identities to protect us as individuals and companies.

"Just as the government was wrong in allowing loose self-regulation of the financial, automotive and mortgage industries, it also has been far too lax in ensuring protection for consumers and companies that use payments cards of any type on the Internet.

"As a direct result of these conditions, we have seen a precipitous increase in reported credit card and Internet fraud. All users are at risk, but it is our children who are most vulnerable.

"The upcoming review of cybersecurity has the immediate responsibility to provide broadly defined protection. In addition to improving how to better protect our infrastructure from potential homeland security breaches from those with ill intent toward the United States, the administration should address how to use validated digital identities to prevent the abuses that have caused significant harm to individuals and businesses."

TEXAS H. CON. RES. 183

HON. K. MICHAEL CONAWAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 31, 2009

Mr. CONAWAY. Madam Speaker, at the request of the Secretary of State of the State of Texas, I am officially entering House Concurrent Resolution 183, as passed by the 81st Legislature, Regular Session, 2009, of the State of Texas, into the CONGRESSIONAL RECORD.

HOUSE CONCURRENT RESOLUTION

Whereas, The oil and natural gas exploration industry has been a significant part of the state's economy since the early 20th century; today, Texas is the leading producing state for oil and natural gas in the country, accounting for 21.3 percent and 27.8 percent of total U.S. production, respectively; and

Whereas, Texas producers provide more than 200,000 jobs for Texas citizens, with an average pay that is almost three times higher than the average paid by all other industries; during fiscal year 2008, Texas producers paid over \$5 billion in taxes and fees to the state's general revenue fund; and

Whereas, Natural gas is a highly valued, clean fuel that has become a mainstay of electricity production and other industrial operations in Texas, while oil continues to constitute the backbone of the state's industrial sector and fuels virtually all of the state's transportation system; and

Whereas, Renewable energy sources offer great promise for Texas' long-term energy needs, but the technology that would make

these sources abundant is in its infancy, and until that technology is adequately developed, renewable energy sources will remain dispersed and unable to deliver base load capacity; and

Whereas, Conservation can help satisfy the state's energy needs, and action to reduce customer demand is the quickest way to meet energy needs in the short term, but a growing economy and population will require more energy than can be saved through more efficient energy use; and

Whereas, To keep pace with increased demand, independent producers completed more than 11,000 wells in Texas in 2008, and in the two-year period 2007-2008, they increased the production of natural gas in Texas by more than 12 percent; and

Whereas, In addition to generating high-quality jobs, independent producers help to reduce America's dependence on Middle East oil by exploring for domestic resources and providing stable supplies of cost-effective energy to consumers; and

Whereas, Independent producers rely on longstanding tax provisions to plan their activities and to explore for new wells to offset declining production from older ones; without the development of new wells, energy supplies would decline and the costs to consumers would rise; and

Whereas, President Barack Obama's initial budget includes provisions deleting the intangible drilling costs deduction, percentage depletion allowance, geologic and geophysical costs deduction, and domestic production activities deduction, and the elimination of these provisions would cripple this state's energy jobs, reduce small businesses' access to capital, and harm royalty owners; and

Whereas, Intangible drilling costs (IDCs) typically include expenditures for physical items with no salvage value, as well as other costs associated with preparing and completing a well for the production of oil, gas, or geothermal steam or water; producers have long been able to deduct IDCs as current business expenses, rather than depreciate or amortize them over the life of the well; IDCs are actually similar to research and development costs, for which most manufacturing businesses are able to take a tax credit, rather than a deduction; and

Whereas, The percentage depletion allowance, also known as the small producers exemption, was created in the 1920s to encourage oil and natural gas exploration, which is an inherently high-risk venture; the exemption is available only to the smallest producers and allows them to deduct 15 percent of their gross income from oil and gas properties; and

Whereas, Geologic and geophysical (G&G) costs relate to the surveys that producers conduct or commission in order to locate and develop oil and natural gas reserves and to minimize unnecessary drilling; G&G costs may be amortized over the first 24 months of the life of a well; and

Whereas, The domestic production activities provision allows businesses a tax deduction for qualified production activities that are based in the United States; the deduction helps to preserve American jobs and American small businesses; and

Whereas, Major integrated companies are not eligible for the IDC deduction, percentage depletion allowance, or domestic production activities deduction, and they are subject to a seven-year amortization schedule for G&G work; consequently, "big oil" is not impacted by the proposed budget changes; and

Whereas, President Obama has stated his intention to support the development of jobs, promote the use of clean-burning energy, and reduce America's dependence on foreign oil,

yet his budget proposals would lessen the ability of independent producers to help meet those three goals: Now, therefore, be it

Resolved, That the 81st Legislature of the State of Texas hereby respectfully urge the United States Congress to reject the provisions of President Barack Obama's budget that would eliminate the intangible drilling costs deduction, percentage depletion allowance, geologic and geophysical costs deduction, and domestic production activities deduction and to encourage instead the development of Texas oil and natural gas; and, be it further

Resolved, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all the members of the Texas delegation to Congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

DAVID DEWHURST,
President of the Senate.

JOE STRAUS,
Speaker of the House.

ROBERT HANEY,
Chief Clerk of the House.

PATSY SPAN,
Secretary of the Senate.

Approved: RICK PERRY, *Governor.*

MEDICAL LIABILITY REFORM

HON. SCOTT GARRETT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 31, 2009

Mr. GARRETT of New Jersey. Madam Speaker, I rise today to discuss one aspect of health care reform that, unfortunately, has not received a lot of attention by the Democrat majority. That is the issue of medical liability reform.

Recently, I spent a couple of days in my district in New Jersey touring hospitals, physician group practices, and long-term care facilities. When talking to the physicians at these facilities, I asked them, "What issue would you most like to see addressed in health care reform legislation?" In every single facility I visited, medical liability reform was either at or near the top of the list.

We know that the surge in malpractice lawsuits over the past 30 years has had a profoundly negative impact on the practice of medicine. And while, obviously, I feel that patients should be compensated for gross negligence by physicians, there is little doubt that our current tort system is broken. More than 60 percent of liability claims against physicians are dropped, withdrawn, or dismissed without payment. In 2007, the average cost of defending these claims was \$18,000 per case.

This has pushed the cost of liability insurance through the roof. The American Medical Association (AMA) has listed my home state of New Jersey as a "crisis state" for medical liability. Doctors face liability insurance premium increases that far outpace the already high rate of medical inflation. Some high-risk specialties, such as obstetrics or emergency, face annual premiums of over \$100,000 per year. According to a survey conducted by the

American College of Obstetricians and Gynecologists (ACOG), the lack of affordable liability insurance forced 70 percent of OB/GYNs to make changes to their practice. Liability concerns also forced between seven to eight percent of OB/GYNs to stop practicing obstetrics.

But more important than the direct costs of our tort system are the indirect costs. One pediatrician I spoke to said that he would "just like to practice medicine without feeling like a lawyer was looking over my shoulder all the time." The anxiety that our physicians face from confronting potential lawsuits seriously affects the doctor-patient relationship. Additionally, it drives up the cost of health care by encouraging the practice of "defensive medicine." The AMA estimates that defensive medicine adds somewhere between \$84-\$151 Billion per year in health care costs to our system. As another doctor I met with said, "I can waste money like you've never seen. When someone comes into my hospital and needs treatment, I can order every test, every procedure known to man, simply to protect myself from a lawsuit."

Even President Obama, in his recent address to the AMA has admitted that medical liability is a serious issue. But despite the support of the President, the medical establishment, and the overwhelming majority of Americans, of the 1,018 pages of H.R. 3200, the America's Affordable Health Choices Act, there is not a single page on medical liability reform.

Madam Speaker, this issue is simply too important for us not to address. Any serious attempt to reform our health care system must reform medical liability.

GOOD NEWS IN NEWARK

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 31, 2009

Mr. PAYNE. Madam Speaker, like all urban centers, my home city of Newark faces many challenges. We are working hard to improve the quality of life for residents by moving forward in the area of affordable housing and health care, better schools, child care, and services for seniors. We are also proud of the fact that Newark welcomes visitors not only from other parts of our state, but also from around the nation and the world. As we continue our successful economic development efforts, I would like to draw to the attention of my colleagues here in the U.S. House of Representatives an article which highlights the good news for Newark.

NEWARK AT NIGHT: IT'S NOT A SURPRISE ANYMORE THAT THE CITY IS ALIVE AFTER DARK

(Posted by Philip Thomas, Lawrence P. Goldman and Jeff Vanderbeek/Star-Ledger Guest Columnists, July 09, 2009)

Not too long ago, something you wouldn't necessarily have thought of happened in Newark. It was extraordinary.

On a crisp November evening, a sold-out house of 2,800 people filled Prudential Hall at the New Jersey Performing Arts Center for a stunning concert by The 5 Browns, a family of Juilliard-trained, young virtuoso pianists, along with the New Jersey Symphony Orchestra.

Just down the street, another 19,000 people were doing something that happens in every